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**REPORT OF THE GROUP OF EXPERTS
ON THE PROGRAMME OF WORK**

Background

1. The Group of Experts on the Programme of Work was established in accordance with the ECE Plan of Action, which was adopted by the Commission at its fifty-second session in 1997. The Group's mandate was:

- (i) To examine the programmes of work of the PSBs and to advise on arbitration between the competing additional demands from PSBs when they imply significant shifts among these programmes;
- (ii) To advise on how to adjust the programme of work according to possible changes in orientation, to anticipated changes in the level of resources for the next biennium or, in respect of the current biennium, to unexpected changes of such a magnitude that it would have a significant impact on the existing programme of work.

First Report to the Commission, December 1998

2. The Group of Experts on the Programme of Work (GEPW) met in November 1998 and elected Mr. Charles Moore as its Chairman. Having received the relevant information from the secretariat, the GEPW submitted a report to the Ad Hoc

GE.99- 20661

Informal Meeting of the Commission held on 4 December 1998. The following recommendations, which were submitted with the report, were adopted by the Commission:

- (i) The system of prioritization should be maintained for the time being;
- (ii) The Chairman should hold consultations with the Directors, Secretaries and Chairpersons of PSBs, and report back to the Group on whether the system of prioritization requires clarification and adaptation;
- (iii) No change in the current resource allocation is necessary;
- (iv) The Group would meet to discuss the allocation of resources in the event of an increase or decrease of resources at a later date;
- (v) PSBs are encouraged to implement new activities from within their existing resource allocations;
- (vi) The Group should meet on an ad hoc basis as necessary; and
- (vii) A second report would be submitted by the Group to the Annual Session in May 1999.

Research on Prioritization

3. The Chairman of the Group, in close cooperation with the Office of the Executive Secretary (OES), subsequently met with Divisional Directors and PSB Secretaries in January 1999 to discuss the issue of prioritization (recommendation (ii) above). He also wrote to PSB Chairpersons directly, seeking their views. In all these contacts, it was made clear that there were two main objectives of the exercise: to identify problems arising from the first application of the Guidelines last year; and to consider ways of ensuring that each Committee submitted information to the secretariat in a comparable format in the prioritization exercise.

4. Prioritization is a necessary exercise which, if circumstances dictate, would allow the GEPW to make considered judgements on the overall direction of ECE's work within the available resource limits. It should not take up an unreasonable amount of the PSBs' time; nor should it be difficult for the secretariat to collate the information received from PSBs; nor should it be seen as an attempt by the GEPW to interfere with or to micro-manage the excellent work of PSBs. The GEPW could only make objective decisions on the allocation or redistribution of resources if the relevant information were provided to the secretariat.

5. During his consultations with the PSBs and the secretariat, the Chairman identified several difficulties arising from the initial application of the Guidelines in 1998. These were:

- some PSBs clearly believed that activities identified as "lower" priority would automatically be cut;
- the identification of "lower" priority activities also implied that the PSBs viewed those activities as less worthwhile than others;
- the smaller PSBs (Human Settlements, Timber and Sustainable Energy) had found it more difficult than others to prioritize at a level of activities which employ one staff member;
- some PSBs gave different priorities to separate elements of the same activity, or mixed elements of different activities;
- PSBs provided different levels of detail in different formats, making collation (by the secretariat) and comparison (by the GEPW) particularly difficult;
- some PSBs had held their annual sessions before the Guidelines were published; and
- the activities of some PSBs covered several different Ministries in each member State: the lack of strong horizontal policies towards the orientation of ECE's work (and sometimes a lack of coordination between and within the Ministries themselves) did not help PSBs to prioritize their work.

Conclusions and Recommendations

6. The Chairman concluded that the Guidelines were perhaps not as effective in practice as they had originally been thought to be. Having recently been through the process of reform, PSBs may have seen the application of the Guidelines as a first step by the GEPW towards reducing, or micro-managing, their activities. This would be entirely understandable, but the Chairman made clear in all his consultations that there was no hidden agenda. Indeed, he wanted to work closely with the PSBs and the secretariat to ensure that the mandate of the GEPW was carried out with complete transparency and cooperation. He concluded that it would be beneficial to revise the prioritization process, making it simpler and clearer for all concerned. He reported back to the GEPW on 29 January 1999, and recommended that a new system be put in place for prioritization.

7. The new system would introduce a proforma for individual PSBs, accompanied by an explanatory note. The proforma would ask for specific information regarding the "clusters" or main subject areas of activity. It would consist of a table of clustered activities, requiring PSBs to assign a priority level to each cluster, and to indicate the number of regular budget professional staff within the secretariat (excluding Divisional Directors) allocated to each cluster of activity. To ensure that the process was both cooperative and transparent, Divisional Directors and PSB Secretaries would be consulted on the clusters of activities to be listed in the proforma. The proforma would also ask PSBs to identify activity options in the event of an increase or decrease in the budget. This new system should have several advantages. It should:

- prove less onerous and time-consuming for PSBs;
- make it easier for the secretariat to collate the information in a comparable format;
- provide the GEPW with clear, concise and comparable information on which it can make objective decisions, if necessary, on the allocation or redistribution of resources; and
- further improve the relationship between the GEPW, the secretariat and the PSBs through consultation and cooperation.

8. PSBs would still be required to prioritize on a three-tier basis (higher, medium and lower priority). However, those PSBs accounting for less than 5% of ECE's overall budget - Human Settlements, Timber and Sustainable Energy - may prioritize their activities on a two-tier basis (higher and lower priority), if necessary. This would make the process of prioritization easier for those PSBs with small programmes of activity, but offers no other preferential status: the GEPW would still be able to view the overall direction of ECE's activities on a cross-sectoral and fully comparable basis.

9. The explanatory note would, in effect, replace the Guidelines as a self-standing document. It aims to offer a clear explanation of the new system, which is intended to reduce the burden on the PSBs and the secretariat. It also aims to clarify the responsibilities of each party (the PSB, the secretariat and the GEPW) in the prioritization process, and to emphasise the importance of work programme prioritization.

10. While it is envisaged that the explanatory note would be a self-standing document, the Chairman further recommended that he (or a representative of the GEPW) should attend the annual meetings between the Bureau of the Commission

and the individual Bureaux of PSBs. Other informal meetings between the PSB, the secretariat and the GEPW could be arranged as necessary.

11. The GEPW discussed the findings of the Chairman, and agreed on the recommendations with some amendments. These recommendations are summarised below, and are formally submitted to the Commission for consideration and adoption. The new Explanatory Note and a blank proforma, both of which have also been agreed by the GEPW, are contained in the Annex to this report. The revised system would be applied for the first time in the year 2000, namely the year in which the 2002-2003 programme budget will be submitted by the Executive Secretary to UN Headquarters.

Recommendations

- All PSB activities using ECE regular budget resources should be included in the prioritization exercise;
- The three-tier system of prioritization should be maintained, but PSBs which account for less than 5% of total ECE resources (Human Settlements, Timber and Sustainable Energy) may, if necessary, prioritize their activities on a two-tier basis;
- A proforma should be produced for individual PSBs to complete during the prioritization exercise;
- An explanatory note should be produced to accompany the new proforma; and
- The Chairman or a representative of the GEPW should attend the annual meetings between the Bureau of the Commission and the PSB Bureaux. Other informal meetings between the PSB and the GEPW could be arranged as necessary.

ANNEX

PRIORITIZATION: EXPLANATORY NOTE

1. Background

- 1.1 The Commission agreed, at its fifty-fourth session in May 1999, to revise the system of prioritization. It was also agreed that PSBs should prioritize their activities using a proforma, in preparation for the biennial programme budget submission. This would allow the GEPW to compare the activities of PSBs on a cross-sectoral basis, with information provided in similar formats.
- 1.2 This note explains the revised system, and offers guidance to PSBs for future reference. It outlines the roles and responsibilities of the GEPW, the Secretariat and the PSBs in the prioritization process; describes the individual sections of the proforma; and explains the procedure for preparing and completing the proforma.

2. Roles and Responsibilities

- 2.1 There are three main groups involved in the prioritization exercise: the Group of Experts on the Programme of Work (GEPW), the ECE secretariat (including the Office of the Executive Secretary and the Divisional Directors) and the individual PSBs (and their Bureaux). Each plays a specific and significant part in ensuring the effectiveness of the new system, which is designed to ensure that all three groups work together rather than individually.

Group of Experts on the Programme of Work

- 2.2 The GEPW was established in accordance with the ECE Plan of Action, which was adopted by the Commission at its fifty-second session in 1997. The Group's mandate is
 - (i) to examine the programmes of work of the PSBs and to advise on arbitration between the competing additional demands from PSBs when they imply significant shifts among these programmes;
 - (ii) to advise on how to adjust the programme of work according to possible changes in orientation, to anticipated changes in the level of resources for the next biennium or, in respect of the current biennium, to unexpected changes of such a magnitude that it would have a significant impact on the existing programme of work.

- 2.3 The GEPW is responsible for ensuring that the direction of ECE work concurs with the wishes of the individual member States. The overall orientation of ECE's activities can be altered by changing, as necessary, the resource allocation to each PSB. This may follow an increase or decrease in the total budgetary allocation. It may also follow a consensus among the member States to place more or less emphasis on individual areas of activity, with no impact on the total ECE resource base.
- 2.4 The GEPW was not established to supervise or to micro-manage the work of individual PSBs. It has no remit to make arbitrary decisions on resource allocations between PSBs. Any recommendation to redistribute resources between PSBs would only be put to the Commission after having consulted the relevant Divisional Directors. The Commission would then need to formally adopt the recommendations of the GEPW. Even then, it would be for the PSBs themselves to determine how a change in the level of their resources should be most effectively applied, since the experts on each Committee are best placed to decide which activities would benefit from, or be least harmed by, a change in the PSB resource allocation.
- 2.5 In consultation with the respective PSBs through Divisional Directors and PSB Secretaries (who would in turn consult the PSB Bureaux), the GEPW will determine the clusters of activities to be prioritized for each PSB.
- 2.6 The GEPW will meet in the Autumn preceding the submission of the budget narrative by the Executive Secretary. This meeting will determine, in the light of information contained in the proformas and any supplementary information submitted, whether it is necessary to recommend the allocation or redistribution of resources to or between the PSBs. The GEPW may also be convened on an ad hoc basis at the request of the Bureau of the Commission, the Chairman of the GEPW or the Executive Secretary. Individual member States may also formally request the Bureau or the Chairman of the GEPW to convene a meeting of the Group to discuss any other issues relevant to the mandate of the GEPW.

ECE secretariat

- 2.7 Divisional Directors and PSB Secretaries will be consulted on the clusters of activity to be prioritized on the proforma, which will be based on the structure of the programme of work established by the PSP. Divisional Directors will also be responsible for overseeing the prioritization exercise in the Committees for which they are responsible.

- 2.8 The Office of the Executive Secretary will supervise the prioritization exercise as a whole. It will also collate the completed proformas (with supplementary information if submitted) for consideration by the GEPW. It will advise the GEPW on budgetary and administrative matters in ECE that are relevant to the work of the GEPW, and it will convene and attend meetings between the GEPW and other parties (Bureaux of PSBs, Divisional Directors, PSB Chairpersons) as necessary.

PSBs and their Bureaux

- 2.9 The PSB Bureau should aim to present the Committee with a draft completed proforma for discussion and agreement at its annual session. It may request an informal meeting with the Chairman or a representative of the GEPW if any further clarification is required.
- 2.10 The PSB should ensure that the completed proforma meets the requirements of the GEPW. In addition, it may submit any supplementary information which the PSB wishes to draw to the attention of the GEPW.

3. The proforma

- 3.1 An example of the proforma is attached. It consists of two main sections: a prioritization table listing the clusters(or main subject areas) of activity for each PSB; and two boxes relating to the impact of a change in the level of staff resources.
- 3.2 On the prioritization table, PSBs should allocate a level of priority (Higher, Medium or Lower) to each cluster of activities identified on the proforma. Given their limited size, PSBs which account for less than 5% of total ECE resources (Human Settlements, Timber and Sustainable Energy) may, if necessary, prioritize on a two-tier basis (Higher or Lower). Each priority level must contain at least one cluster of activity. PSBs should also identify the number of regular budget Professional staff (excluding Divisional Directors) for each cluster of activities. This need not be a round number: a cluster of activities may, for example, cover 1.3 or 2.7 staff.
- 3.3 The two additional boxes on the proforma will ask the PSBs to consider the impact on their activities in the event of an addition or a reduction of one staff member. This will help the PSB to consider potential new areas of activity and the impact of a budget reduction. PSBs are encouraged to consider carrying out new activities from within their existing resource allocation, in which case prior reference to the GEPW

is not necessary. The GEPW need only be consulted if additional resources were required

4. Procedures in preparing and completing the Proforma

- 4.1 For each PSB, the Chairman of the GEPW would discuss the clusters of activity to be prioritized (and therefore placed in the proforma), with the PSB Secretary and the Divisional Director who would in turn consult their respective PSB Bureau.
- 4.2 Once the clusters of activities have been determined, the PSB will be asked to complete the proforma. Ideally, the Bureau of the PSB should complete the proforma in draft before submitting it to the Committee at its annual session in the budget submission year.
- 4.3 The prioritization table must be discussed and agreed by the Committee as a whole. For the boxes, in the absence of consensus, the Committee can submit (on supplementary pages if necessary) the different options expressed by member States.
- 4.4 The completed proforma, once agreed by the Committee, should be passed to the Office of the Executive Secretary for collation on behalf of the GEPW in advance of the submission by the Executive Secretary of the budget narrative.

5. Conclusion

- 5.1 The revised prioritization process is intended to be both cooperative and consultative. Any problems that are identified during the process should be discussed and resolved as soon as possible, to ensure that the end result is not affected. For that purpose, the GEPW will be available for consultation, and would welcome the opportunity to discuss or clarify the concerns of PSBs as necessary.

EXAMPLE PROFORMA

ECONOMIC COMMISSION FOR EUROPE

[Name of PSB]

SECTION 1: PRIORITIZATION

Please complete the following prioritization table. Each priority level (Higher, Medium or Lower) must contain at least one cluster of activities. The number of regular budget Professional staff (excluding the Divisional Director) must be shown against each cluster of activity eg 0.7, 1.4 etc.

No	Clusters (or Main Subject Areas) of Activities	Priority Level (H, M, L)	Regular Budget Professional Staff
1			
2			
3			
4			
5			

SECTION 2: ACTIVITY OPTIONS

With the addition of one extra staff member, what additional activities would the Committee consider?

With the reduction of one staff member, what activities would the Committee consider reducing?